

Products...As-Is...Business Line...Acquisition and Materiel Management

Table of contents

1 Acquisition and Materiel Management.....	2
1.1 Acquisition Management Process.....	5
1.1.1 Acquisition Oversight.....	7
1.1.2 Acquisition Policy Management.....	8
1.1.3 Acquisition Training.....	9
1.1.4 Acquisition Analysis.....	10
1.1.5 Marketing.....	11
1.1.6 Specialized Contract Management.....	11
1.1.7 National Contract Management.....	12
1.2 Materiel Management Process.....	14
1.2.1 Provide Materiel Management Oversight.....	15
1.2.2 Materiel Management Policy.....	16
1.2.3 Provide Materiel Management Training.....	17
1.2.4 Perform Materiel Management Operations.....	18
1.2.5 Perform or Provide Materiel Management Quality Assurance.....	20
1.3 Financial Management Process.....	21
1.3.1 Manage Supply Fund Accounting.....	22
1.3.2 Manage Supply Fund Budgeting.....	23

1. Acquisition and Materiel Management

The major functions within this business line are the three items denoted in the major circle of Acquisition and Materiel Management (AMM) Organizations: Materiel Management, Financial Management, and Acquisition Management. This diagram shows the major stakeholders and some of the relationships between those stakeholders, AMM Organizations, and their denoted functions.

Scroll down for descriptions of objects shown in this diagram. Clicking over a function name can directly bring up related process diagrams and activity descriptions.

Links to Z11 (listed alphabetically)	
Name	Description
Acquisition and Materiel Management Services	Various logistics support services for the benefit of internal VA organizations. These include procurement, inventory management and delivery.
Administrative Services	Administrative services for people and groups within the VA organization.
Agency Funding Requests	Budget proposals and other forms of requests for funding that VA sends to Congress and other funding approval bodies.
Agency Reports	Standard and ad-hoc reports about VA operations that are prepared and submitted to external organizations and oversight groups.
Agreements and Contracts	Formal agreements and contracts with parties outside VA .
Contracted Services	Enterprise contractual service resources provided by organizations external to VA.
Financial Services	Enterprise financial services for people and groups within the VA organization.
Human Resources	VA personnel including employees and contractors.

Internal Information Technology Services	Internal enterprise information technology services for people and groups within the VA organization.
Official Government Guidance	Government circulars and other official guidance from external organizations that affect VA's operations.
Personnel Services	Internal enterprise personnel services for people and groups within the VA organization.
Physical Products	Product resources from external origins that are physical in nature.
Physical Products	Physical output products intended for people and groups within the VA organization.
Requests for VA Actions	Information contained in requests for VA action coming from sources external to VA .
Training Services	Training and other skills development services available to veterans and other program beneficiaries, service partners, and other entities outside the VA organization.
VA Program Funds	Monetary resource products from external sources for use in funding VA programs.
Vendor Services	Enterprise vendor service resources provided by organizations external to VA.

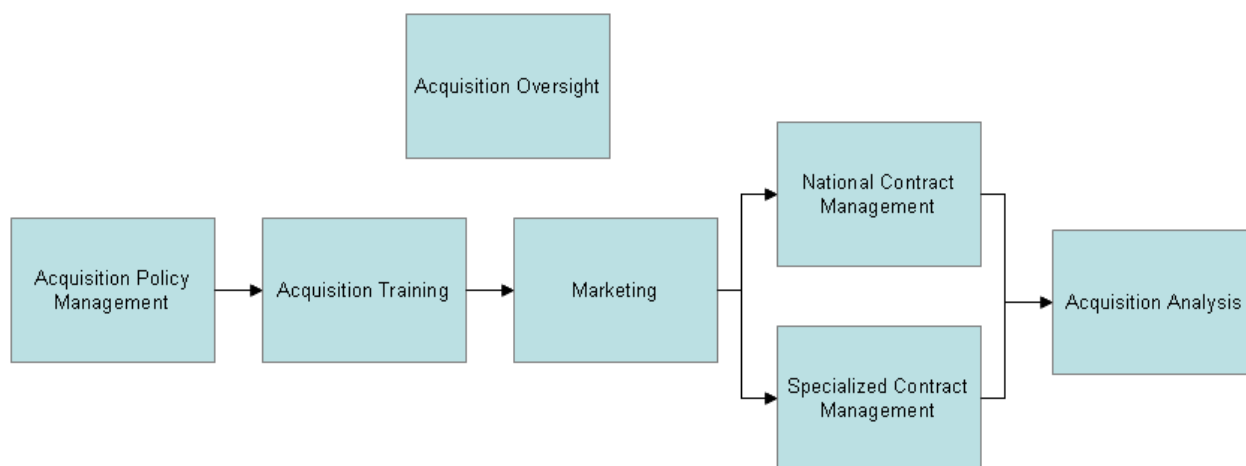
Links to Z12 (listed alphabetically)	
Name	Description
Acquisition Management	The "Acquisition" aspect of this KEF develops acquisition strategies, and procures products and services for VA as well as Other Government Organizations (OGA) through the award and administration of cost-effective national, regional, commodity based and service based contracts.
Financial Management	The "Financial Management" function provides the

	<p>ability for innovative financial services to VA customers via the VA Supply Fund. This Supply Fund provides the capability to extend obligation authority of appropriated funds up to five years beyond the current fiscal year for bona fide needs.</p> <p>This function is also used to ease up front acquisition costs for leasing capital equipment. Beyond supply fund management and oversight, this financial management sub-function includes accounting, budgeting, costing, financial records management, and expense activity support for both internal and external customers or Other Government Agencies (OGA).</p>
Material Management	<p>The Materiel Management function performs supply chain operations relating to management and business oversight of a full range of materiel and property management products and services.</p>

Links to Z14 (listed alphabetically)	
Name	Description
Contractors	<p>Individuals or organizations outside of VA that work for the Department under any of the various types of contractual arrangements or fee structures.</p>
Government Policy Makers (Owners)	<p>A category of VA stakeholders. Stakeholders falling under this category possess the authority to create and enforce major government policies and regulations that affect the Department of Veterans Affairs.</p>
Managers	<p>VA employees who plan, lead, organize, and control the operations of a well-defined VA organizational unit.</p>
Providers (Suppliers)	<p>A category of VA stakeholders. Stakeholders in this category sell their products and services to VA in support of VA operations.</p>

Workers	Non-managerial VA personnel.
Links to Z22 (listed alphabetically)	
Name	Description
Acquisition Management Process	The “Acquisition” aspect of this KEF develops acquisition strategies, and procures products and services for VA as well as Other Government Organizations (OGA) through the award and administration of cost-effective national, regional, commodity based and service based contracts.
Financial Management Process	The “Financial Management” function provides the ability for innovative financial services to VA customers via the VA Supply Fund. This Supply Fund provides the capability to extend obligation authority of appropriated funds up to five years beyond the current fiscal year for bona fide needs. This function is also used to ease up front acquisition costs for leasing capital equipment. Beyond supply fund management and oversight, this financial management sub-function includes accounting, budgeting, costing, financial records management, and expense activity support for both internal and external customers or Other Government Agencies (OGA).
Material Management Process	The Materiel Management function performs supply chain operations relating to management and business oversight of a full range of materiel and property management products and services.

1.1. Acquisition Management Process



Links to Z22 (listed alphabetically)	
Name	Description
Acquisition Analysis	Acquisition Analysis collates and analyzes department-wide data on acquisitions. It provides for the analysis of data located in the Procurement History File for the purpose of establishing acquisition trends and determining items that should be standardized throughout the department for realizing cost avoidance/cost savings.
Acquisition Oversight	Acquisition Oversight provides department-wide acquisition oversight and focuses on providing guidance and oversight to VA acquisition professionals through technical, legal, and business reviews. Determinations regarding specific acquisition activities are conducted through the review of the department's protest, debarment/suspension, and voluntary disclosures.
Acquisition Policy Management	Acquisition Policy Management focuses on the development of policies and procedures in the Federal acquisition arena, on behalf of the Department of Veterans Affairs.
Acquisition Training	Acquisition Training manages department-wide acquisition training and certification programs. It

	includes a variety of activities in support of Clinger-Cohen requirements.
Marketing	Marketing identifies potential customers of available services for the purposes of revenue generation. It promotes Office of Acquisition and Materiel Management's products and services and identifies business opportunities through business development schemes and market planning.
National Contract Management	National Contract Management manages the development and execution of national contracts.
Specialized Contract Management	Specialized Contract Management manages the development and execution of specialized contracts.

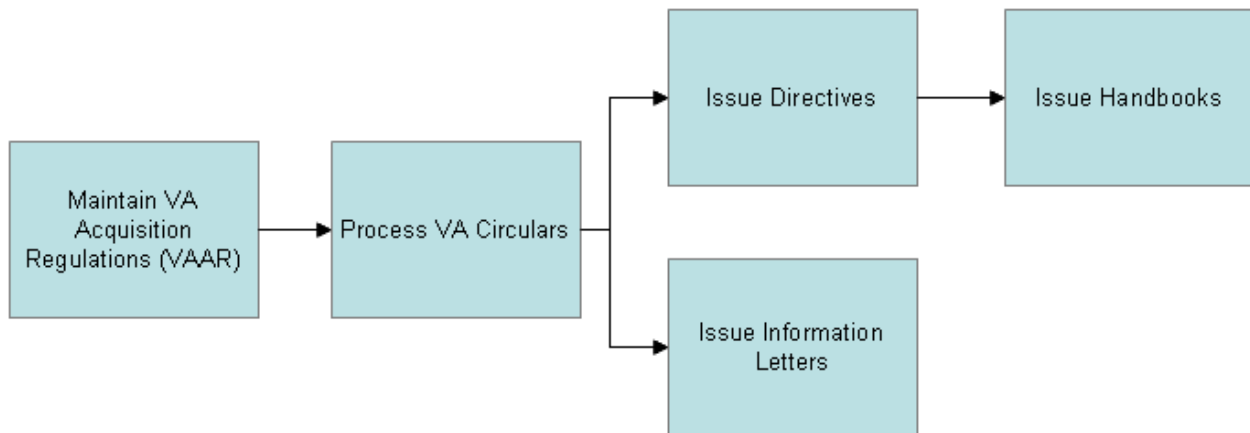
1.1.1. Acquisition Oversight



Links to Z22 (listed alphabetically)	
Name	Description
Conduct Business and Legal Reviews	Conduct site-specific reviews of a VA acquisition facility to ensure that all activities and processes performed at the facility comply with FAR/VAAR and other regulatory requirements.
Conduct Technical Reviews	Conduct reviews of solicitations and other pre-bid documents to ensure their technical sufficiency, prior to release to the bidding public. These reviews are required at specified dollar thresholds, as outlined in the VAAR.

Review Incidence of Protest, Debarments and Suspensions	Keep track of the number and reasons for protests, debarment, and suspensions occurring at various VA acquisition facilities.
---	---

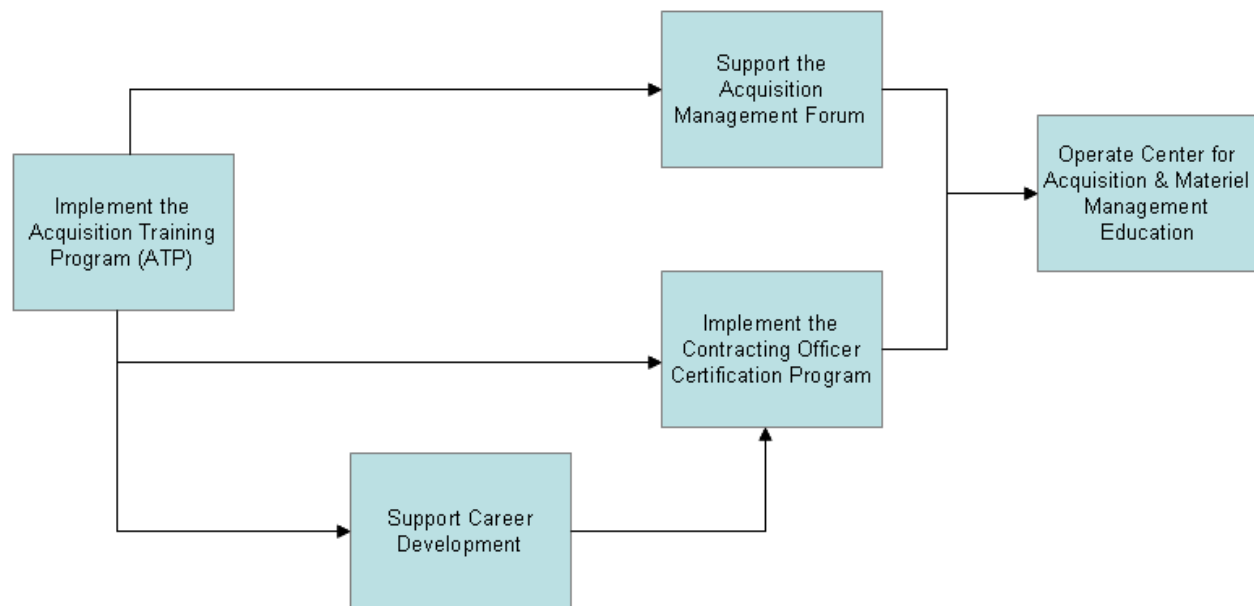
1.1.2. Acquisition Policy Management



Links to Z22 (listed alphabetically)	
Name	Description
Issue Directives	Prescribe mandatory Department-wide policies. They may be permanent or temporary. If the policies are temporary, e.g., for one-time reports or data collections specify an expiration or rescission date.
Issue Handbooks	Prescribe mandatory Department-wide procedures or operational requirements implementing policies contained in directives. Update non-codified information through the development of Handbooks.
Issue Information Letters	Prescribe non-directive information.
Maintain VA Acquisition Regulations (VAAR)	Review VA Acquisition Regulations to ensure compliance with existing and new Federal Acquisition Regulations. Periodically update entire VAAR to ensure it contains only codified information.

Process VA Circulars	Implement changes to the VA Acquisition Regulations (VAAR) through the processing of VA Circulars (VAC).
----------------------	--

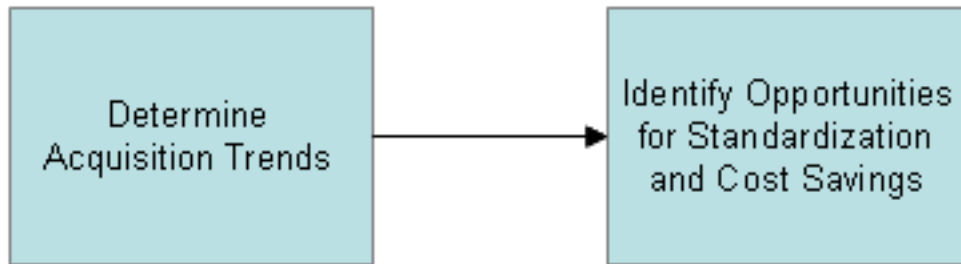
1.1.3. Acquisition Training



Links to Z22 (listed alphabetically)	
Name	Description
Implement the Acquisition Training Program (ATP)	Provide specified courses to department's acquisition professionals according to the Acquisition Training Program (ATP).
Implement the Contracting Officer Certification Program	Provide specified courses to department's acquisition professionals according to the Contracting Officer Certification Program.
Operate Center for Acquisition & Materiel Management Education	Manage the Center for Acquisition and Materiel Management Education Online (CAMEO) which is an automated program that provides for tracking education, training, warrant, and certification data of

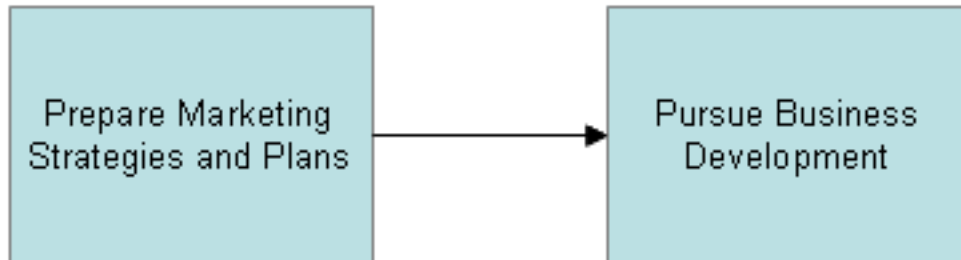
	the acquisition workforce.
Support Career Development	Implement acquisition internship programs that provide information on acquisition career opportunities within the department. Develop and implement career-planning projects.
Support the Acquisition Management Forum	Run programs that provide a minimum of 40 hours of continuing education every other year to all VA acquisition professionals and allied acquisition professionals (COTRs, etc.).

1.1.4. Acquisition Analysis



Links to Z22 (listed alphabetically)	
Name	Description
Determine Acquisition Trends	Analyze data located in the Procurement History File for establishing acquisition trends. This database contains data from the Integrated Funds Distribution Control Point Activity, Accounting, and Procurement (IFCAP) System that include sources of goods and services, item, quantity, and price. Determine patterns of acquisition/buying on an individual site basis and on a national level.
Identify Opportunities for Standardization and Cost Savings	Determine if acquired items are bought in sufficient quantity on a recurring basis to justify long-term supply agreements at lower negotiated costs.

1.1.5. Marketing

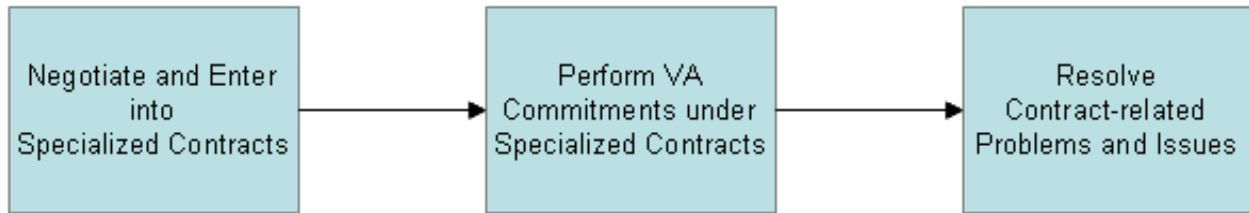


Reference(s):

- Acquisition and Materiel Management Marketing.html

Links to Z22 (listed alphabetically)	
Name	Description
Prepare Marketing Strategies and Plans	Determine the best marketing strategies for the organization. Plan, organize, and manage tasks and resources to accomplish a defined objective, usually within constraints on time, resources, or cost. Acquire funding for planned sales and promotions efforts.
Pursue Business Development	Promote the products and services that the Office of Acquisition and Materiel Management can offer. Develop resources and business opportunities, e.g., research prospective clients, cold calls, conferences, to gain more business/accomplish an objective/increase the depth of business knowledge. Identify resource-sharing opportunities with the DOD activities and other government-agency partnership opportunities and conducts Federal Healthcare Summits.

1.1.6. Specialized Contract Management

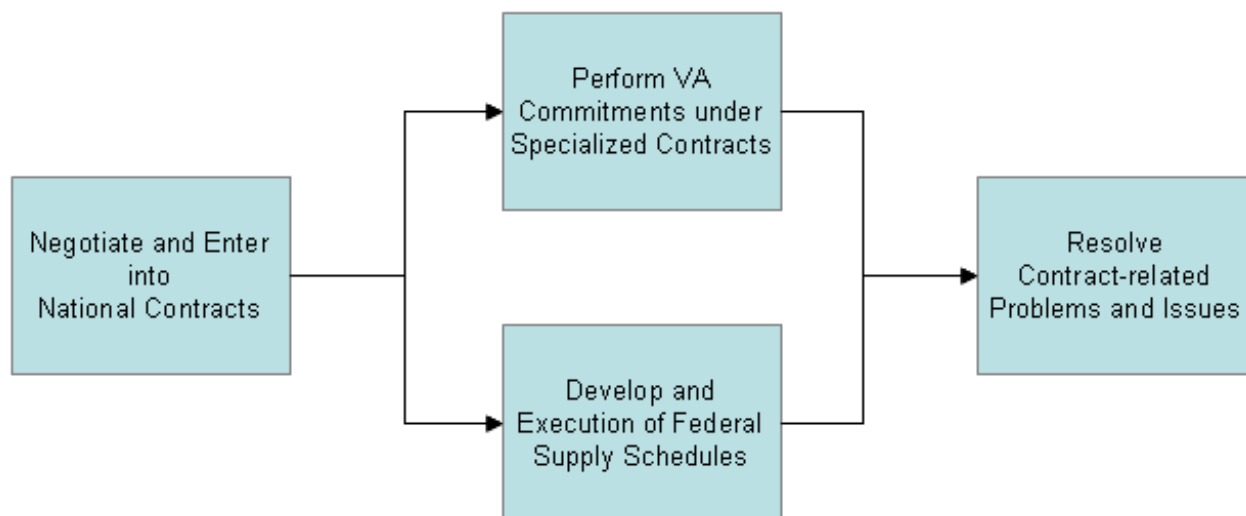


Reference(s):

- Acquisition and Material Management Special Contract Mgt.html

Links to Z22 (listed alphabetically)	
Name	Description
Negotiate and Enter Into Specialized Contracts	Negotiate terms and conditions and sign specialized contracts such as information technology contracts, telecommunication contracts, management studies contracts, flags contracts, inter-agency agreements, and various types of Memoranda of Understanding (MOU).
Perform VA Commitments under Specialized Contracts	Perform procurement, storage and delivery activities to satisfy customer orders for various products. Implement commitments under existing service contracts and memoranda of agreement.
Resolve Contract-related Problems and Issues	Assert VA interests in the resolution of problems, conflicts, and other issues related to specialized contracts.

1.1.7. National Contract Management



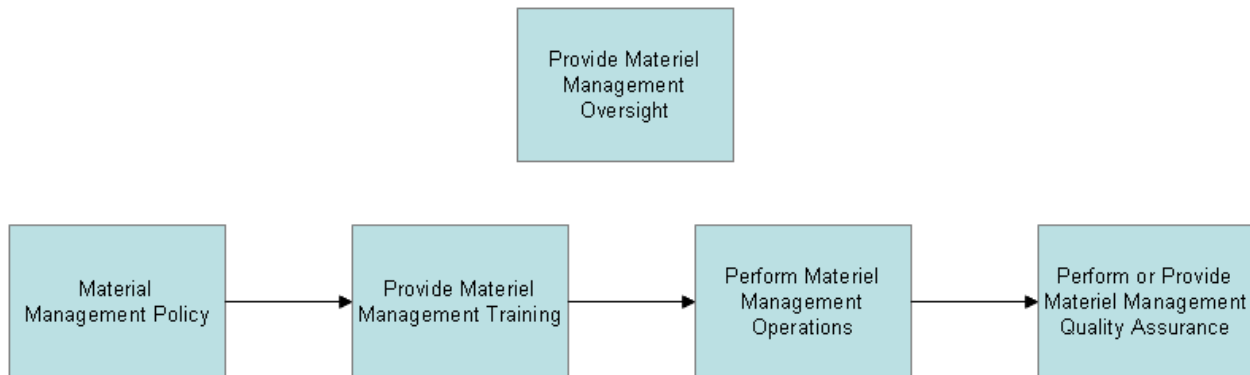
Reference(s):

- Acquisition and Materiel Management National Contract Mgt.html

Links to Z22 (listed alphabetically)	
Name	Description
Develop and Execution of Federal Supply Schedules	Simplified process of acquiring commonly used supplies and services while obtaining volume discounts through contracts that are awarded using competitive procedures to commercial firms. GSA has delegated the authority for VA to enter such Schedules for a variety of medical products and services.
Negotiate and Enter Into National Contracts	Negotiate terms and conditions and sign national contracts such as those for supplies, services, equipment, and others wherein VA will be the prime vendor. (Most of the existing contracts are for the delivery of medical supplies and services.)
Perform VA Commitments under Specialized Contracts	Perform procurement, storage and delivery activities to satisfy customer orders for various products. Implement commitments under existing service contracts and memoranda of agreement.

Resolve Contract-related Problems and Issues	Assert VA interests in the resolution of problems, conflicts, and other issues related to national contracts.
--	---

1.2. Materiel Management Process



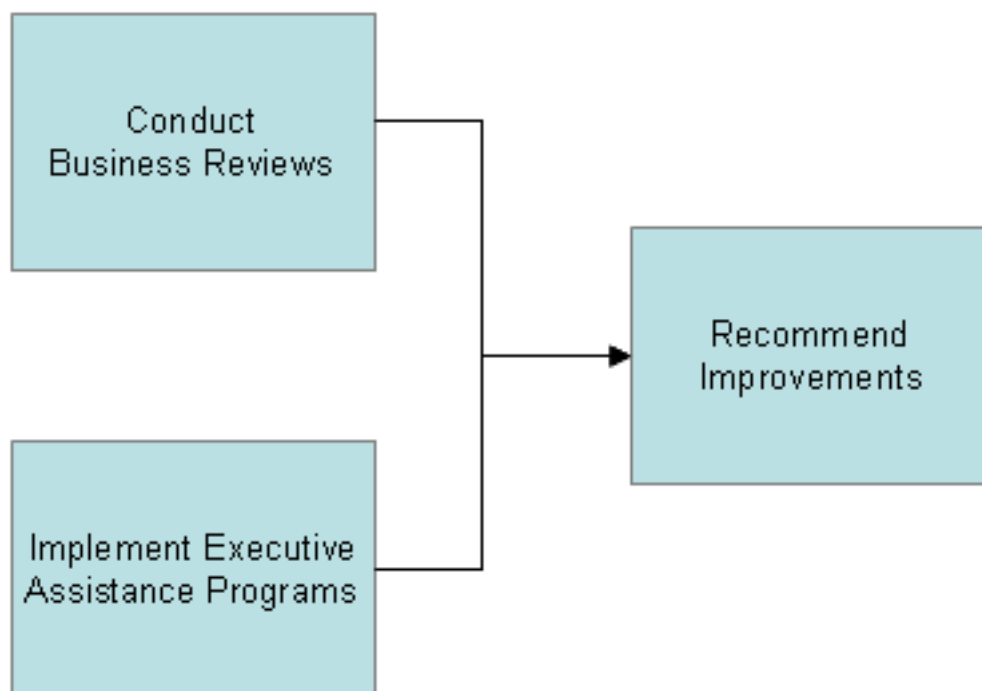
Reference(s):

- Acquisition and Material Management Materiel Process.html

Links to Z22 (listed alphabetically)	
Name	Description
Material Management Policy	This function provides operation standards and guidance for the proper operation of VA's materiel assets.
Perform Materiel Management Operations	This function includes activities to assure that VA's supplies, inventory and property management activities are effective and meet the needs of the department. This sub-function includes several operational programs such as freight management, household goods, employee relocation, publications, and homeless veterans support.
Perform or Provide Materiel Management Quality Assurance	Review and determine that departmental materiel management program is operating set targets/measures.

Provide Materiel Management Oversight	Oversight is provided through policy and procedural guidance.
Provide Materiel Management Training	This function provides a training program to assure a competent workforce. This is done through formal training events, written guidance, and through the SPD certification program.

1.2.1. Provide Materiel Management Oversight



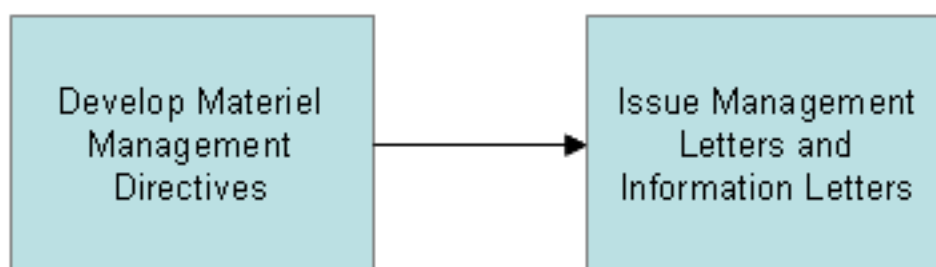
Reference(s):

- [Acquisition and Materiel Management Oversight.html](#)

Links to Z22 (listed alphabetically)	
Name	Description
Conduct Business Reviews	Conduct scheduled visits to VA operations to review

	compliance with policy and other requirements. Provide guidance as required.
Implement Executive Assistance Programs	Conduct Executive Assistance reviews at the request of the medical center director, network directors or other management to review problems with policy violations and to provide guidance in other areas.
Recommend Improvements	Provide recommendations for improvements in controls and processes. Determine appropriate actions required to resolve customer issues and correct any identified operational deficiencies

1.2.2. Materiel Management Policy

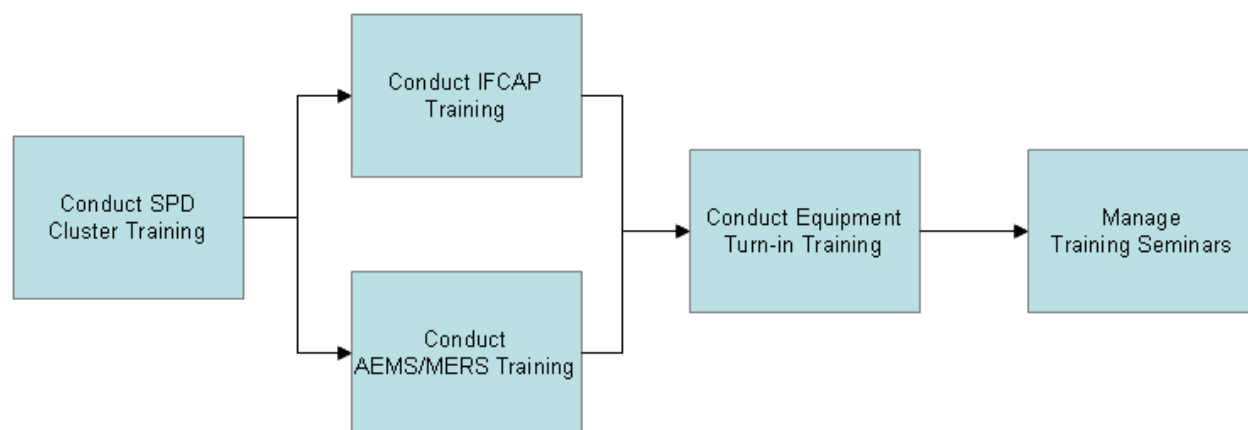


Reference(s):

- Acquisition and Material Management Policy.html

Links to Z22 (listed alphabetically)	
Name	Description
Develop Materiel Management Directives	Develop and enforce formal policy guidelines for the proper functioning of VA materiel management programs.
Issue Management Letters and Information Letters	Issue letters of advice regarding materiel management policies, regulations, and guidance that are expected to be formalized and enforced in the near future.

1.2.3. Provide Materiel Management Training



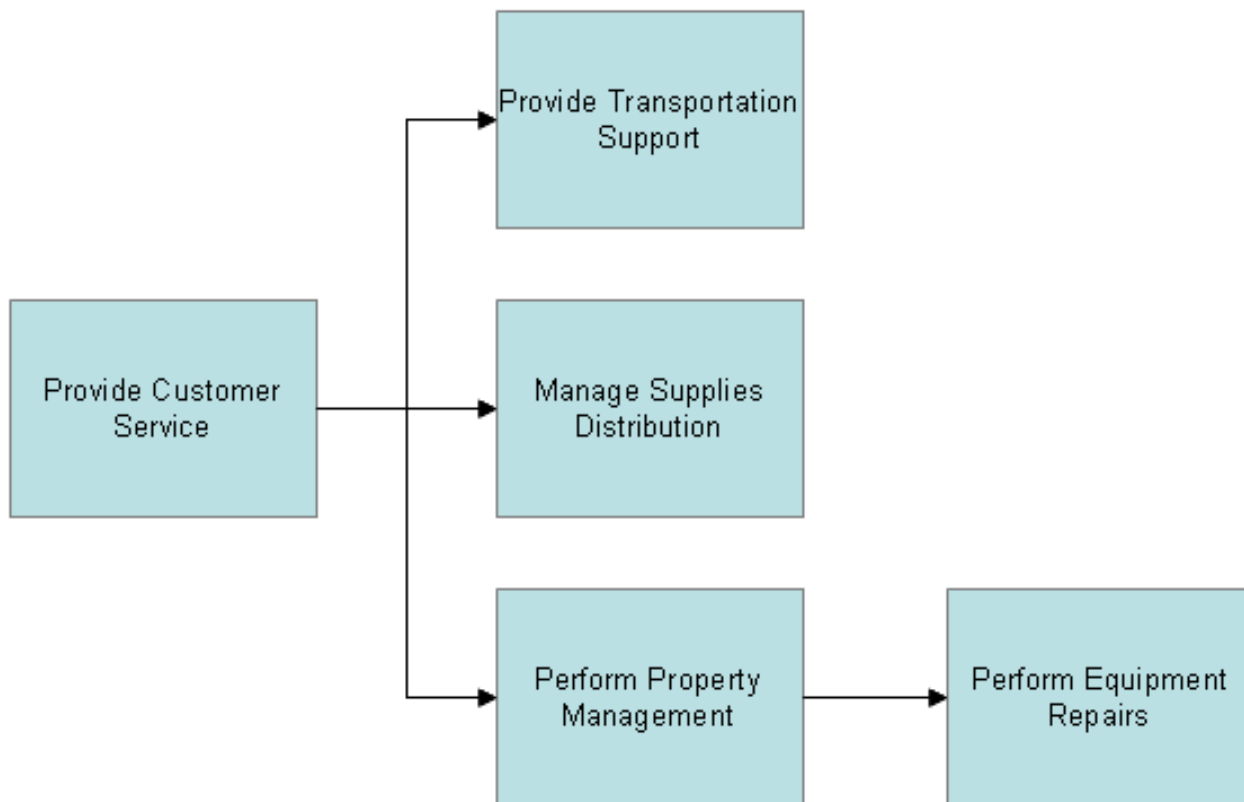
Reference(s):

- Acquisition and Material Management Training.html

Links to Z22 (listed alphabetically)	
Name	Description
Conduct AEMS/MERS Training	Conduct hands-on AEMS/MERS (Automated Equipment Management System/ Medical Equipment Repair Service) training of automated equipment management system. The training is conducted in different phases depending on the need or changes to the AEMS/MERS system.
Conduct Equipment Turn-in Training	Conduct hands-on training on the Automated Equipment Request and Turn-in System that integrates with AEMS/MERS (Automated Equipment Management System/ Medical Equipment Repair Service) and IFCAP (Integrated Funds Distribution Control Point Activity, Accounting, and Procurement). Phased training is conducted based on system changes or unit requirements.
Conduct IFCAP Training	Provide hands-on IFCAP (Integrated Funds Distribution Control Point Activity, Accounting, and Procurement) training on the automated inventory

	system, automated case carts and control point modules. Classes are scheduled as required for system changes or personnel needs.
Conduct SPD Cluster Training	Training to provide the technical information to the SPD (Supply Processing and Distribution) technicians. This training program includes preparation, decontamination, distribution, and inventory management functions. The training also covers the required SPD level one training.
Manage Training Seminars	Plan and implement training seminars on inventory management, distribution, reprocessing reusable supplies (preparation/decontamination) and warehousing. Develop seminars for Section level Supervisors and Chiefs, as well as for the materiel management staff at VA facilities, including VHA, VBA, and NCA.

1.2.4. Perform Materiel Management Operations



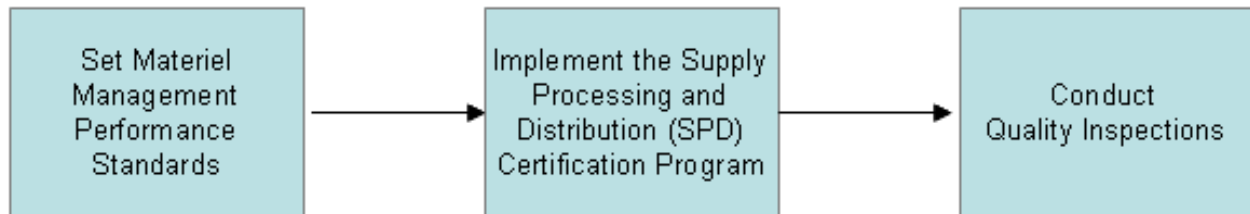
Reference(s):

- [Acquisition and Materiel Management Operations.html](#)

Links to Z22 (listed alphabetically)	
Name	Description
Manage Supplies Distribution	Manage the distribution of expendable and re-usable supplies and equipment including ordering, receiving, inventory management, proper handling, and meeting the user's needs.
Perform Equipment Repairs	Provide repair service for medical equipment such as endoscopes, hearing aids for VA and Department of Defense at a reduced cost and provide replacement equipment for use during the repair.

Perform Property Management	Provide guidance on how to manage or directly manage VA nonexpendable equipment and furnishings
Provide Customer Service	Provide assistance to the VA materiel management staff and customers regarding policy, training, guidance, and regulations. Assist customers and provide timely information about the status of the customer transaction.
Provide Transportation Support	Provide transportation support for VA on moving supplies and equipment. Provide assistance for household moves for VA employees. This includes assistance in transportation of supplies to San Juan, PR.

1.2.5. Perform or Provide Materiel Management Quality Assurance



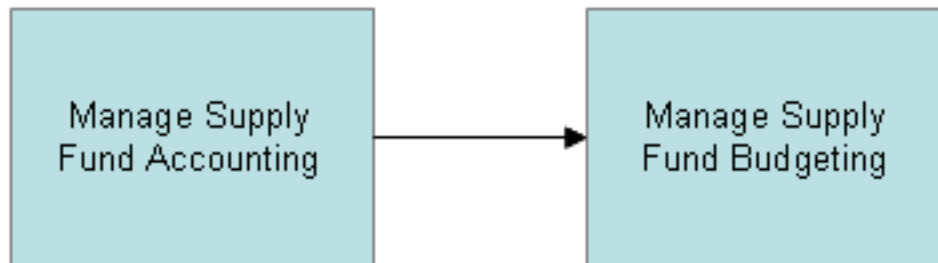
Reference(s):

- Acquisition and Material Management Quality Assurance.html

Links to Z22 (listed alphabetically)	
Name	Description
Conduct Quality Inspections	Conduct visits to VA material management operation facilities to identify any potential operational problems and provide recommendation for identified deficiencies. Assess actual performance against standards that have been set.
Implement the Supply Processing and Distribution (SPD) Certifica	Documents the training and provide national testing for VA's SPD staff under the SPD Certification

	program. The program tracks completion of annual continuing education unit requirements.
Set Materiel Management Performance Standards	Identify suitable performance goals, measures, and metrics for materiel management operations.

1.3. Financial Management Process



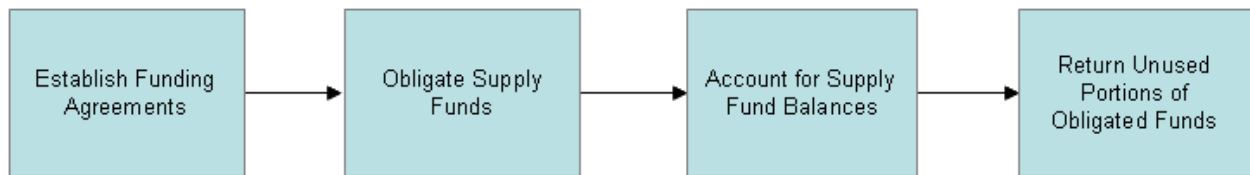
Reference(s):

- Acquisition and Material Management Financial Management.html

Links to Z22 (listed alphabetically)	
Name	Description
Manage Supply Fund Accounting	<p>This function enables financial services to VA customers via the VA Supply Fund. The Supply Fund is authorized by Title 38 U.S.C. 8121 as a revolving fund with cost reimbursements from appropriated customer agencies. The fund also provides the capability to extend obligation authority of appropriated funds, up to five years beyond the current fiscal year, for bona fide needs for an execution fee. It is used to ease up-front acquisition costs for leasing capital equipment. The Supply fund consists of two programs, One VA+ and Leasing.</p> <p>One VA+ applications include Information Technology Projects, Telecommunications Projects, Activation and other Equipment, and larger programs that require longer planning or site development lead-time. It establishes formal agreements, including a bona fide need between a customer Program Office (PO) and the Supply fund, by using</p>

	VA Form 2269, "Receive the Obligation", as an Unfilled Customer Order and Reimbursement. The Receivable Program Office solicits procurement and Obligates against Supply Fund Accounts. The customer order is filled and the PO obligation Supply Fund is reduced. Finally, the obligation balance is returned to Treasury upon completion of agreement fulfillment or after five years.
Manage Supply Fund Budgeting	This function enables the formulation and execution of the annual budget for the Supply Fund consisting of three components: full-time equivalent staff (FTEs), Obligation, and Performance Measures.

1.3.1. Manage Supply Fund Accounting



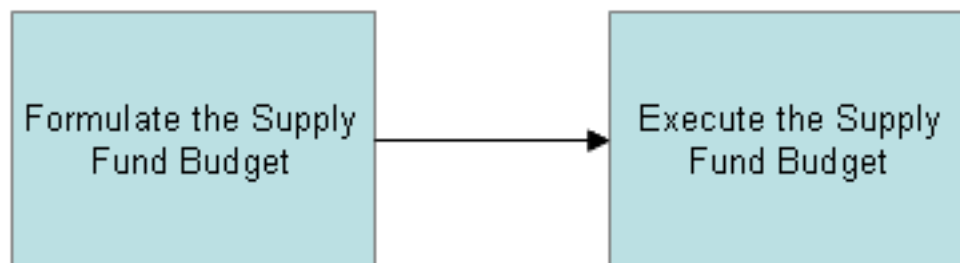
Reference(s):

- Acquisition and Material Management Supply Fund Actng.html

Links to Z22 (listed alphabetically)	
Name	Description
Account for Supply Fund Balances	Reduce individual PO obligation Supply Fund account balances as Customer orders are filled.
Establish Funding Agreements	Establish formal agreements between a customer Program Office (PO) and the Supply Fund. These agreements spell out the detailed terms and conditions for the use of the proceeds from the Supply Fund.
Obligate Supply Funds	Obligate portions of the Supply Fund Accounts as Program Offices solicit procurements.

Return Unused Portions of Obligated Funds	Return obligation balance to Treasury upon completion of agreement periods, or after five years.
---	--

1.3.2. Manage Supply Fund Budgeting



Reference(s):

- Acquisition and Material Management Supply Fund Budget.html

Links to Z22 (listed alphabetically)	
Name	Description
Execute the Supply Fund Budget	Create annual Budget Operating Plans with monthly estimate at the start of the Fiscal Year. This information is input once annually into the Financial Management Systems (FMS) by the VA Secretary's Budget Office. The execution subfunction also compiles the reporting information about the actual amounts on a monthly basis for the three components of FTEs, Obligations, and Performance Measures.
Formulate the Supply Fund Budget	Consolidate the budget estimates from each of the three VA components (VHA, VBA, and NCA) by all programs within VA and by OGAs wishing to utilize this Supply Fund. After the review and approval by the Director in the CFO, the formulation is submitted to the VA Secretary's office, which after reviews and modifications submits to OMB and Congress.